

**December 15<sup>th</sup>, 2015**

## **KMG / CEFC – strategic partnership for developing dedicated activities in Europe**

KMG International salutes the today's conclusion in Beijing of the Memorandum of Understanding between the National Company KazMunayGas Kazakhstan and CEFC (China Energy Company Limited) for the constituting and developing at the international level of a strategic partnership in the Oil & Gas field.

Assets and operations owned and carried out by KMG International (KMGI) in Europe and in the Black Sea region will serve as a baseline of the mentioned development platform that will target both the increasing of operational and financial performance of KMG and its subsidiaries outside Kazakhstan and expending at the international level of dedicated activities and operations performed by CEFC.

Within the framework of the Memorandum, CEFC has expressed its intention to buy part of KMG shares in KMGI and in this regard the Chinese company has sent to KMG, the Sole Shareholder of KMGI, a take-over proposal. KMG International is solely owned by KazMunayGas, the Oil & Gas National Company of Kazakhstan.

KMG will consider on a long-term perspective continuing of crude oil supplies towards KMGI subsidiaries in order to sustain and extend their core operations in Europe.

The strategic partnership will deliver benefits for KMG, CEFC and KMG International and will establish the necessary framework for future joint projects and will contribute to the economic and social growth of the areas where those projects will be implemented, including Romania.

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*JSC NC KazMunayGas* is the National Oil & Gas Company of the Republic of Kazakhstan and it is solely owned by the Sovereign Wealth Fund Samruk-Kazyna.

*CEFC China Energy Company Limited* is an important player in the energy sector (Oil & Gas, financial services) carrying out dedicated operations in almost 15 countries. With a turnover over 30.5 billion Euros in 2014 and more than 20,000 employees worldwide, the company is amongst the first 500 most important capitalized companies in the world, as well as amongst the 500 most affluent international brands.

*KMG International N.V.* owns and carries out major operations in refining, petrochemicals, retail, trading, upstream and industrial services. The number of its employees is about 7,500 people working on 12 major markets in the Caspian Sea region (Kazakhstan, Georgia), Black Sea region (Ukraine, Moldova, Bulgaria, Turkey, Romania) and in Western Europe (France and Spain).

## **KMG International Communication and Public Relations Department**